GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:254
ANSWERED ON:26.04.2016
Foreign Funding in J&K
Kamaraaj Dr. K.

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether foreign funds is being illegally pumped into the State of Jammu and Kashmir through various channels;

(b) if so, the details thereof;

(c) whether the Government has taken adequate measures to check this illegal inflow of foreign funds; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS
(SHRI HARIBHAI PARATHIBHAI CHAUDHARY)

(a) to (d): Yes Madam, as per inputs there are reports of illegal inflow of foreign funds through Hawala and inward remittances. There are also inputs that Fake Indian Currency Notes (FICN), predominately produced in Pakistan, is being smuggled into India through various international routes, via, Dubai, Nepal and Bangladesh. The matter was raised with Pakistani authorities on several occasions under the bilateral Composite and Resumed Dialogues.
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The Government has constituted a Combating Financing of Terrorism Cell (CFT Cell) in the Ministry of Home Affairs to coordinate with the Financial Action Task Force (FATF), an inter-governmental International Body dealing with anti-money laundering and CFT issues. National Investigation Agency (NIA) has also constituted a terror funding and fake currency cell to focus on terror funding and fake currency cases. Besides, various agencies such as Financial Intelligent Unit and regulatory and enforcement agencies under the Ministry of Finance keep a check on the inflow of foreign funds. In addition to above, a surveillance mechanism has been put in place by the State Government to check cases relating to foreign and suspicious funding, including Fake Indian Currency Network, Hawala and Cases under Prevention of Money Laundering Act.

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